

Submission in response to the IDA's Consultation Paper

"Net Neutrality" issued on 11 November 2010

16 December 2010

**Pacnet Internet (S) Limited
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Aileen Chia (Ms)
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Dear Aileen,

Pacnet Internet (S) Limited ("Pacnet") appreciates this opportunity to provide comments to the Info-Communications Development Authority of Singapore ("IDA") with regard to the consultation paper on Net Neutrality issued on 11 November 2010 ("Consultation Paper").

While Pacnet is generally supportive of the IDA's current policy approach towards net neutrality as stated in paragraph 27 of the Consultation Paper, i.e. No Blocking of legitimate Internet content, Comply with Competition & Interconnection Rules, Pacnet is concerned about the proposal for ISPs to provide additional information on the actual or expected Internet access speeds.

Apart from the incumbents many ISPs often rely on the underlying service provider for provision of the access delivery. The Internet Access speeds are therefore to a certain extent beyond the control of the ISP and the reasons for effects on speeds will not be transparent to the service provider.

We believe that it is not that easy to come up with a reliable figure that will give customers any meaningful guide. The reasons for this is that the users experience can be determined by different factors, such as location within Singapore and time of day. A single figure therefore would therefore be misleading and it would be a difficult exercise to come up with a set of figures that would be meaningful on which consumers could rely.

The exercise in calculating these figures will not be simple as it would involve deploying test circuits and test terminals across the country, procuring the right testing software system and , securing sites to test. Such an exercise would be a significant cost which will place T a proportionally bigger burden on the smaller ISPs as their resources are comparatively less than that of those ISPs in dominating position.

Given the market of ISPs in Singapore is dominated by a few operators who have gained dominating shares of the market, i.e. from a market share of 30% to 50%, leaving a narrow market share for a number of smaller ISPs. The marginal costs for an ISP whose market share is less than 10% will be far greater than one who has a dominant position in the market. This extra burden on the smaller ISP's would then have the unfortunate and unintended side effect of making the smaller ISP's less competitive. In view of the above, and the fact that consumers in Singapore already have substantial Quality of Service Information with which they can make informed choices Pacnet would urge the IDA to not to impose requirements on ISP's to provide more information on expected or average access speeds.

Yours Sincerely

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